

October 23, 2015

**VIA HAND DELIVERY & ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: Docket 4576 – Revised 2015 Gas Cost Recovery Filing (GCR)**

Dear Ms. Massaro:

On behalf of National Grid, relating to the Company's 2015 Gas Cost Recovery Charge Filing dated September 1, 2015 (the GCR Filing), I have enclosed ten (10) copies of the Company's revised attachments to the GCR Filing. These revised attachments reflect changes to the Company's 2014-2015 Projected Annual Gas Cost Reconciliation balance and proposed 2015-2016 GCR factor. The revised attachments are further identified below.

Based on discussions with Mr. Bruce Oliver, consultant to the Division of Public Utilities and Carriers (Division), the Company has updated the 2014-2015 Projected Annual Gas Cost Reconciliation found in Attachment AEL-1, page 6, to reflect the reconciliation balance submitted to the Public Utilities Commission in the Company's September Monthly Deferred Report filed on October 20, 2015. This revision results in an increase in the projected 2014-2015 Annual Gas Cost Reconciliation balance at October 31, 2015 from \$8.2 million to \$10.4 million, and increases the proposed 2015-2016 GCR factor by approximately \$0.008 per therm for both the Low Load and High Load Factor groups.

The Company has enclosed the following attachments of Company Witness Ann E. Leary:

Attachment AEL-1 Revised Revised Gas Cost Recovery Factors

Attachment AEL-3 Revised Revised Projected Gas Cost Balances

Attachment AEL-4 Revised Revised Bill Impact analysis also reflecting the Revised Distribution Adjustment Charge (DAC) factors filed on October 15, 2015

Luly E. Massaro, Commission Clerk  
Docket 4576 – Revised 2015 Gas Cost Recovery Charge  
October 23, 2015  
Page 2 of 2

The impact of the revised proposed GCR and DAC factors on a typical residential heating customer using 846 therms a year is an annual decrease of \$110.93 from the rates currently in effect, or 8.9%, from \$1,249.69 to \$1,138.76.<sup>1</sup>

The Company has consulted with the Division regarding the updated 2014-2015 Projected Annual Gas Cost Reconciliation and the revised proposed 2015-2016 GCR factor, and the Division has indicated their support for these revisions.

Attachment AEL-1 is the subject of a Motion for Protective Treatment that is currently pending with the PUC. Accordingly, the Company is seeking protection of the same gas cost pricing information contained in Attachment AEL-1 Revised. The Company has provided the PUC with the un-redacted confidential materials for its review, and has included redacted copies of Attachment AEL-1 Revised in the filing.

Thank you for your attention to this filing. If you have any questions, please contact me at 401-784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

Enclosures

cc: Docket 4573 Service List  
Leo Wold, Esq.  
Steve Scialabba, Division  
Bruce Oliver, Division

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<sup>1</sup> In the 2015-2016 GCR filing submitted on September 1, 2015, the proposed bill impacts for a typical residential heating customer using 846 therms a year was a decrease of \$120.09 as compared to the \$110.93 decrease proposed in this revised filing.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

Paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



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Joanne M. Scanlon

October 23, 2015

Date

**Docket No. 4576 – National Grid – 2015 Annual Gas Cost Recovery Filing (“GCR”) - Service List as of 9/18/15**

| <b>Name/Address</b>   | <b>E-mail</b>  | <b>Phone</b> |
|---|--|--------------|
| Jennifer Brooks Hutchinson, Esq.<br>National Grid<br>280 Melrose St.<br>Providence, RI 02907  | <a href="mailto:Jennifer.hutchinson@nationalgrid.com">Jennifer.hutchinson@nationalgrid.com</a> ; | 401-784-7288 |
|   | <a href="mailto:Celia.obrien@nationalgrid.com">Celia.obrien@nationalgrid.com</a> ;               |              |
|   | <a href="mailto:Joanne.scanlon@nationalgrid.com">Joanne.scanlon@nationalgrid.com</a> ;           |              |
| Ann E. Leary<br>Elizabeth D. Arangio<br>Stephen A. McCauley<br>National Grid<br>40 Sylvan Road<br>Waltham, MA 02541   | <a href="mailto:Ann.Leary@nationalgrid.com">Ann.Leary@nationalgrid.com</a> ;                     |              |
|   | <a href="mailto:Elizabeth.Arangio@nationalgrid.com">Elizabeth.Arangio@nationalgrid.com</a> ;     |              |
|   | <a href="mailto:Stephen.Mccauley@nationalgrid.com">Stephen.Mccauley@nationalgrid.com</a> ;       |              |
|   | <a href="mailto:Theodore.poe@nationalgrid.com">Theodore.poe@nationalgrid.com</a> ;               |              |
| Leo Wold, Esq.<br>Dept. of Attorney General<br>150 South Main St.<br>Providence RI 02903  | <a href="mailto:Lwold@riag.ri.gov">Lwold@riag.ri.gov</a> ;                                       | 401-222-2424 |
|   | <a href="mailto:Steve.scialabba@dpuc.ri.gov">Steve.scialabba@dpuc.ri.gov</a> ;                   |              |
|   | <a href="mailto:dmacrae@riag.ri.gov">dmacrae@riag.ri.gov</a> ;                                   |              |
|   | <a href="mailto:Jmunoz@riag.ri.gov">Jmunoz@riag.ri.gov</a> ;                                     |              |
| Bruce Oliver<br>Revalo Hill Associates<br>7103 Laketree Drive<br>Fairfax Station, VA 22039  | <a href="mailto:Boliver.rha@verizon.net">Boliver.rha@verizon.net</a> ;                           | 703-569-6480 |
| <b>File an original &amp; nine (9) copies w/:</b><br>Luly E. Massaro, Commission Clerk<br>Public Utilities Commission<br>89 Jefferson Blvd.<br>Warwick RI 02888 | <a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a> ;                           | 401-780-2107 |
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|   | <a href="mailto:Todd.bianco@puc.ri.gov">Todd.bianco@puc.ri.gov</a> ;                             |              |
| Office of Energy Resources<br>Christopher Kearns<br>Nicholas Ucci   | <a href="mailto:Christopher.Kearns@energy.ri.gov">Christopher.Kearns@energy.ri.gov</a> ;         |              |
|   | <a href="mailto:Nicholas.ucci@energy.ri.gov">Nicholas.ucci@energy.ri.gov</a> ;                   |              |

**THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
RIPUC DOCKET NO. 4576  
REVISED 2015 GAS COST RECOVERY FILING  
WITNESS: ANN E. LEARY  
OCTOBER 23, 2015**

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Attachment AEL-1 Revised  
Gas Cost Recovery Factors

**National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Factors Effective November 1, 2015**

| Line No. | Description<br>(a)  | Source            |               |                               | FT-2<br>Mkter <sup>3</sup><br>(f) |
|----------|---|-------------------|---------------|-------------------------------|-----------------------------------|
|          |   | Reference<br>(b)  | Line #<br>(c) | High Load <sup>1</sup><br>(d) |                                   |
| (1)      | Fixed Cost Factor - \$/dktherm                            | AEL-1 pg 2        | Line (17)     | \$0.8796                      | \$1.1421                          |
| (2)      | Variable Cost Factor -\$/dktherm                          | AEL-1 pg 3        | Line (13)     | \$4.2130                      | \$4.2130                          |
| (3)      | Total Gas Cost Recovery Charge- \$/dktherm                | (1) + (2)         |               | \$5.0926                      | \$5.3551                          |
| (4)      | Uncollectible %   | Docket 4323       |               | 3.18%                         | 3.18%                             |
| (5)      | Total GCR Charge adjusted for Uncollectibles- \$/dkdtherm | (3) / [(1) - (4)] |               | \$5.2598                      | \$5.5309                          |
| (6)      | <b>GCR Charge on a per therm basis</b>                    | (5) / 10          |               | <b>\$0.5259</b>               | <b>\$0.5530</b>                   |
| (7)      | Current rate effective 11/01/14* - \$/therm               |                   |               | \$0.6692                      | \$0.6871                          |
| (8)      | Decrease- \$/therm  | (6) - (7)         |               | (\$0.1433)                    | (\$0.1341)                        |
| (9)      | Percent Decrease  | (8) / (7)         |               | -21.4%                        | -19.5%                            |

\* GCR rates approved with the Supplemental GCR filing per Dkt 4520 filed on September 16, 2014

<sup>1</sup> Includes: Residential Non Heating, Large High Load and Extra Large High Load

<sup>2</sup> Includes: Residential Heating, Small C&I, Medium C&I, Large Low Load, Extra Large Low Load

<sup>3</sup> See AEL-5 for calculation of FT-2 rate

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**National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Fixed Cost Calculation (\$ per Dth)**

| Line No. | Description                                       | Reference        | Source                  | Line #    | Amount          | High Load Factor Total | Low Load Factor Total |
|----------|---|------------------|-------------------------|-----------|-----------------|------------------------|-----------------------|
| (a)      | (b)   | (c)              | (d)                     | (e)       | (f)             | (g)                    | (h)                   |
| (1)      | Fixed Costs (net of Cap Rel to marketers)         | AEL-1 pg 4       | Line (65)               |           | \$45,282,243    |                        |                       |
| Less:    |   |                  |                         |           |                 |                        |                       |
| (2)      | NGPMP Customer Benefit                            | EDA-1            |                         |           | (\$9,400,000)   |                        |                       |
| (3)      | Interruptible Costs                               |                  |                         |           | \$0             |                        |                       |
| (4)      | FT-2 Storage Demand Costs                         | AEL-5 pg 2       | Line (26)               |           | (\$1,734,509)   |                        |                       |
| (5)      | LNG Demand to DAC <sup>1</sup>                    |                  |                         |           | (\$1,488,790)   |                        |                       |
| (6)      | Refunds   |                  |                         |           | \$0             |                        |                       |
| (7)      | Total Credits                                     | sum[(2):(6)]     |                         |           | (\$12,623,298)  |                        |                       |
| Plus:    |   |                  |                         |           |                 |                        |                       |
| (8)      | Supply Related LNG O&M Costs                      | Dkt 4323         | Compliance Attachment 6 |           | \$575,581       |                        |                       |
| (9)      | Working Capital Requirement                       | AEL-1 pg 8       | Schedule MDL-3-GAS      | Line (16) | \$252,146       |                        |                       |
| (10)     | Deferred Fixed Cost Over-recovered                | AEL-1 pg 6       |                         | Line (17) | (\$2,888,677)   |                        |                       |
| (11)     | Reconciliation Amount from Fixed costs- Marketers | AEL-7 pg 2       |                         | Line (50) | (\$58,533)      |                        |                       |
| (12)     | Total Additions                                   | sum[(8):(11)]    |                         |           | (\$2,119,483)   |                        |                       |
| (13)     | Total Fixed Costs                                 | (1) + (7) + (12) |                         |           | \$30,539,461    |                        |                       |
| (14)     | Design Winter Sales Percentage                    | AEL-1 pg 12      | Lines (10) & (11)       |           |                 | 3.41%                  | 96.59%                |
| (15)     | Allocated Supply Fixed Costs                      | (13) x (14)      |                         |           | \$1,040,442     |                        | \$29,499,019          |
| (16)     | Sales (Dt) Nov 2015 - Oct 2016                    | AEL-1 pg 11      | Line (9)                |           | 27,009,852      | 1,182,745              | 25,827,107            |
| (17)     | <b>Fixed Factor</b>                               | (15) / (16)      |                         |           | <b>\$0.8796</b> |                        | <b>\$1.1421</b>       |

<sup>1</sup> System Balancing Factor (Dkt 4339)

Line (16)

Col (e): AEL-1, page 11, Sum of Lines (1), (6), (8)

Col (f): AEL-1, page 11, Sum of Lines (2):(5) and (7)

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**National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Variable Cost Calculation (\$ per Dth)**

| Line No. | Description                            | Source           |                         | Amount (d)      |
|----------|--|------------------|-------------------------|-----------------|
|          |  | Reference (b)    | Line # (c)              |                 |
| (1)      | Variable Costs, excluding Refunds      | AEL-1 pg 5       | Line (96) - Line (90)   | \$98,387,634    |
| Less:    |  |                  |                         |                 |
| (2)      | Non-Firm Sales                         |                  |                         | \$0             |
| (3)      | Refunds                                | AEL-1 pg 5       | Line (90)               | \$0             |
| (4)      | Total Credits                          | sum [(2):(3)]    |                         | \$0             |
| Plus:    |  |                  |                         |                 |
| (5)      | Working Capital                        | AEL-1 pg 8       | Line (32)               | \$566,477       |
| (6)      | Deferred Variable Cost Under-recovered | AEL-1 pg 6       | Line (34)               | \$13,327,601    |
| (7)      | Supply Related LNG O&M                 | Docket 4323      | Compliance Attachment 6 | \$572,694       |
| (8)      | Inventory Financing - LNG              | AEL-1 pg 10      | Schedule MDL-3-GAS      | \$341,086       |
| (9)      | Inventory Financing - Storage          | AEL-1 pg 10      | Line (22)               | \$599,371       |
| (10)     | Total Additions                        | sum [(5):(9)]    | Line (12)               | \$15,407,229    |
| (11)     | Total Variable Supply Costs            | (1) + (4) + (10) |                         | \$113,794,863   |
| (12)     | Sales (Dt) Nov 2015 - Oct 2016         | AEL-1 pg 11      | Line (9)                | 27,009,852      |
| (13)     | <b>Variable Cost Factor</b>            | (11) / (12)      |                         | <b>\$4.2130</b> |

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National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Gas Cost Estimate

| Line No. | Description                        | Reference      | Nov-15<br>(c) | Dec-15<br>(d) | Jan-16<br>(e) | Feb-16<br>(f) | Mar-16<br>(g) | Apr-16<br>(h) | May-16<br>(i) | Jun-16<br>(j) | Jul-16<br>(k) | Aug-16<br>(l) | Sep-16<br>(m) | Oct-16<br>(n) | Nov-Oct<br>(o) |
|----------|------------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| (66)     | Tennessee Zone 0                   | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (67)     | Tennessee Zone 4                   | EDA-2          | \$317,482     | \$793,229     | \$1,172,468   | \$1,114,857   | \$801,089     | \$863,884     | \$364,748     | \$215,627     | \$201,846     | \$176,574     | \$0           | \$316,496     | \$6,338,301    |
| (68)     | Tennessee Connexion                | EDA-2          | \$730,989     | \$833,718     | \$884,872     | \$863,419     | \$891,039     | \$738,362     | \$646,517     | \$630,928     | \$669,010     | \$637,085     | \$521,563     | \$622,573     | \$8,670,075    |
| (69)     | Tennessee Direct                   | EDA-2          | \$0           | \$552,856     | \$1,423,508   | \$2,062,367   | \$457,565     | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$4,496,296    |
| (70)     | TETCO SIX                          | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (71)     | TETCO ELA                          | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (72)     | TETCO WLA                          | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (73)     | TETCO ETX                          | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (74)     | TRANSCO LEIDY                      | EDA-2          | \$61,437      | \$71,832      | \$77,390      | \$76,099      | \$78,008      | \$74,966      | \$60,788      | \$47,215      | \$39,703      | \$34,485      | \$32,961      | \$52,467      | \$707,349      |
| (75)     | M3 Delivered                       | EDA-2          | \$1,243,256   | \$444,760     | \$2,416,981   | \$1,876,852   | \$959,720     | \$3,163,443   | \$561,232     | \$1,107,433   | \$0           | \$0           | \$0           | \$932,786     | \$13,181,575   |
| (76)     | Maintenance                        | EDA-2          | \$319,528     | \$2,645,181   | \$2,382,896   | \$2,340,496   | \$1,377,887   | \$250,306     | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$9,316,294    |
| (77)     | Broadrun Col                       | EDA-2          | \$40,439      | \$812,027     | \$946,689     | \$830,718     | \$573,860     | \$31,992      | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$3,235,725    |
| (78)     | Columbia Eagle and Downingtown     | EDA-2          | \$182,426     | \$338,612     | \$1,514,240   | \$1,307,636   | \$687,580     | \$183,429     | \$85,688      | \$76,470      | \$74,260      | \$83,448      | \$43,389      | \$26,566      | \$4,603,745    |
| (79)     | TETCO M2                           | EDA-2          | \$1,862,012   | \$2,125,386   | \$2,379,645   | \$2,274,901   | \$2,248,390   | \$605,125     | \$1,620,223   | \$521,005     | \$1,287,046   | \$1,147,593   | \$576,376     | \$1,487,023   | \$18,134,723   |
| (80)     | Dominion to TETCO FTS              | EDA-2          | \$0           | \$41,073      | \$44,283      | \$39,226      | \$39,337      | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$163,918      |
| (81)     | Transco Zone 3                     | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (82)     | ANE to Tennessee                   | EDA-2          | \$0           | \$0           | \$13,613      | \$10,379      | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$23,992       |
| (83)     | Niagara to Tennessee               | EDA-2          | \$0           | \$0           | \$160,388     | \$169,937     | \$168,889     | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$677,194      |
| (84)     | TETCO to B & W                     | EDA-2          | \$0           | \$0           | \$177,980     | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (85)     | DistriGas FCS                      | EDA-2          | \$1,634       | \$1,017,417   | \$1,162,186   | \$1,883,010   | \$259,506     | \$22,523      | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$4,346,277    |
| (86)     | Habline                            | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (87)     | Total Pipeline Commodity Charges   | sum[(66)-(86)] | \$1,490,109   | \$3,152,512   | \$2,609,943   | \$2,560,968   | \$2,319,838   | \$1,093,816   | \$749,769     | \$374,144     | \$288,161     | \$362,574     | \$297,574     | \$452,831     | \$15,752,240   |
| (88)     | Hedging EDA-2                      | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (89)     | Costs of Injections                | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (90)     | Refunds                            | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (91)     | TOTAL VARIABLE SUPPLY COSTS        | sum[(87)-(90)] | \$6,249,313   | \$13,099,857  | \$17,320,579  | \$17,519,230  | \$11,062,707  | \$5,867,287   | \$3,014,829   | \$1,948,741   | \$1,550,832   | \$1,388,704   | \$1,275,966   | \$2,435,751   | \$82,733,795   |
| (92)     | Underground Storage                | EDA-2          | \$412,169     | \$2,532,406   | \$2,781,527   | \$2,621,227   | \$2,315,309   | \$17,899      | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$10,680,538   |
| (93)     | LNG Withdrawals and Trucking       | EDA-2          | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$0            |
| (94)     | Storage Delivery Costs             | EDA-2          | \$29,252      | \$131,098     | \$139,238     | \$131,657     | \$118,287     | \$1,175       | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$550,707      |
| (95)     | TOTAL VARIABLE STORAGE COSTS       | sum[(92)-(94)] | \$441,421     | \$2,663,504   | \$2,920,765   | \$2,752,884   | \$2,433,596   | \$18,074      | \$0           | \$0           | \$0           | \$0           | \$0           | \$0           | \$10,231,245   |
| (96)     | TOTAL VARIABLE COSTS               | (91) + (95)    | \$6,690,734   | \$15,763,361  | \$20,241,344  | \$20,272,114  | \$13,496,303  | \$5,885,361   | \$3,014,829   | \$1,948,741   | \$1,550,832   | \$1,388,704   | \$1,275,966   | \$2,435,751   | \$92,965,040   |
| (97)     | TOTAL SUPPLY COSTS                 | (65) + (96)    | \$10,000,000  | \$20,000,000  | \$27,000,000  | \$27,000,000  | \$18,000,000  | \$10,000,000  | \$5,000,000   | \$3,000,000   | \$2,500,000   | \$2,200,000   | \$2,000,000   | \$4,000,000   | \$130,000,000  |
| (98)     | Storage Costs for FT-2 Calculation | (37)           | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$401,264     | \$4,815,174    |
| (99)     | Storage Fixed Costs - Facilities   | (63)           | \$602,619     | \$894,119     | \$894,119     | \$894,119     | \$894,119     | \$1,044,708   | \$1,044,708   | \$1,044,708   | \$1,044,708   | \$1,044,708   | \$1,044,708   | \$1,044,708   | \$11,492,053   |
| (100)    | Storage Fixed Costs - Deliveries   | sum[(98)-(99)] | \$1,003,883   | \$1,295,383   | \$1,295,383   | \$1,295,383   | \$1,295,383   | \$1,445,973   | \$1,445,973   | \$1,445,973   | \$1,445,973   | \$1,445,973   | \$1,445,973   | \$1,445,973   | \$16,307,226   |

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National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
GCR Deferred Balances

| Line No. | Description                              | Nov-14 actual | Dec-14 actual | Jan-15 actual | Feb-15 actual  | Mar-15 actual  | Apr-15 actual  | May-15 actual  | Jun-15 actual  | Jul-15 actual  | Aug-15 actual  | Sep-15 actual | Oct-15 forecast | Nov-Oct       |
|----------|--|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|-----------------|---------------|
| (1)      | (a)                                      | (b)           | (c)           | (d)           | (e)            | (f)            | (g)            | (h)            | (i)            | (j)            | (k)            | (l)           | (m)             | (n)           |
| (2)      | <u>L.Fixed Cost Deferred</u>             |               |               |               |                |                |                |                |                |                |                |               |                 |               |
| (3)      | Beginning Balance                        | (\$7,512,514) | (\$5,401,759) | (\$5,180,202) | (\$8,401,939)  | (\$11,113,267) | (\$16,586,201) | (\$17,196,199) | (\$15,222,687) | (\$13,386,753) | (\$10,482,178) | (\$7,796,142) | (\$5,682,585)   | (\$7,512,514) |
| (4)      | Supply Fixed Costs (net of cap rel)      | \$3,821,620   | \$4,035,580   | \$3,316,828   | \$3,788,859    | \$3,372,291    | \$3,639,523    | \$3,922,456    | \$3,906,255    | \$3,897,003    | \$3,606,610    | \$3,889,815   | \$3,886,886     | \$4,583,726   |
| (5)      | LNG Demand to DAC                        | (\$124,066)   | (\$124,066)   | (\$124,066)   | (\$124,066)    | (\$124,066)    | (\$124,066)    | (\$124,066)    | (\$124,066)    | (\$124,066)    | (\$124,066)    | (\$124,066)   | (\$124,066)     | (\$1,488,790) |
| (6)      | Supply Related LNG O & M                 | \$47,965      | \$47,965      | \$47,965      | \$47,965       | \$47,965       | \$47,965       | \$47,965       | \$47,965       | \$47,965       | \$47,965       | \$47,965      | \$47,965        | \$575,581     |
| (7)      | NGPMP Credits                            | (\$83,333)    | (\$83,333)    | (\$1,558,333) | (\$83,333)     | (\$2,748,980)  | (\$83,333)     | (\$83,333)     | (\$83,333)     | (\$83,333)     | (\$83,333)     | (\$83,333)    | (\$83,333)      | (\$6,900,000) |
| (8)      | Working Capital                          | \$21,289      | \$22,521      | \$18,383      | \$21,100       | \$18,702       | \$20,241       | \$21,870       | \$21,776       | \$21,723       | \$20,051       | \$21,682      | \$21,665        | \$251,003     |
| (9)      | Total Supply Fixed Costs                 | \$3,683,475   | \$3,898,667   | \$1,700,776   | \$3,650,526    | \$565,912      | \$3,500,330    | \$3,784,892    | \$2,888,921    | \$3,759,292    | \$3,749,227    | \$3,467,424   | \$2,872,386     | \$3,749,117   |
| (10)     | Supply Fixed - Revenue                   | \$1,486,014   | \$3,671,495   | \$4,915,733   | \$6,352,502    | \$6,024,150    | \$4,092,983    | \$1,794,180    | \$1,038,298    | \$842,054      | \$771,494      | \$751,908     | \$950,661       | \$32,691,046  |
| (11)     | Prelim. Ending Balance                   | (\$5,315,053) | (\$5,174,588) | (\$8,394,733) | (\$11,103,915) | (\$16,571,506) | (\$17,178,854) | (\$15,205,487) | (\$13,372,064) | (\$10,469,515) | (\$7,786,445)  | (\$5,675,665) | (\$2,884,129)   | (\$2,884,129) |
| (12)     | Month's Average Balance                  | (\$6,413,783) | (\$5,288,174) | (\$6,787,467) | (\$9,752,927)  | (\$13,842,386) | (\$16,882,528) | (\$16,200,843) | (\$14,297,376) | (\$11,928,134) | (\$9,134,312)  | (\$6,735,903) | (\$4,283,357)   | (\$4,283,357) |
| (13)     | Interest Rate (BOA Prime minus 200 bps)  | 1.25%         | 1.25%         | 1.25%         | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%         | 1.25%           | 1.25%         |
| (14)     | Interest Applied                         | (\$6,590)     | (\$5,614)     | (\$7,206)     | (\$9,352)      | (\$14,696)     | (\$17,345)     | (\$17,200)     | (\$14,689)     | (\$12,663)     | (\$9,697)      | (\$6,920)     | (\$4,547)       | (\$126,520)   |
| (15)     | Marketer Reconciliation                  | (\$80,117)    |               |               |                |                |                |                |                |                |                |               |                 | (\$80,117)    |
| (16)     | Fixed Ending Balance                     | (\$5,401,759) | (\$5,180,202) | (\$8,401,939) | (\$11,113,267) | (\$16,586,201) | (\$17,196,199) | (\$15,222,687) | (\$13,386,753) | (\$10,482,178) | (\$7,796,142)  | (\$5,682,585) | (\$2,888,677)   | (\$2,888,677) |
| (17)     | Variable Ending Balance                  | \$33,264,125  | \$35,002,943  | \$32,356,883  | \$35,797,057   | \$47,190,223   | \$38,999,966   | \$25,699,657   | \$20,892,063   | \$18,688,869   | \$17,196,988   | \$16,095,772  | \$14,971,219    | \$33,264,125  |
| (18)     | <u>II. Variable Cost Deferred</u>        |               |               |               |                |                |                |                |                |                |                |               |                 |               |
| (19)     | Beginning Balance                        | \$11,252,746  | \$16,365,997  | \$28,887,903  | \$44,042,978   | \$21,652,522   | \$6,879,185    | \$3,813,569    | \$2,449,655    | \$2,087,361    | \$2,049,122    | \$1,950,787   | \$2,555,352     | \$143,987,178 |
| (20)     | Variable Supply Costs                    | (\$599)       | (\$113,742)   | (\$923)       | (\$496,944)    | (\$4,929)      | \$0            | \$0            | \$0            | \$0            | \$0            | \$0           | \$0             | (\$617,137)   |
| (21)     | Supply Related LNG to DAC                | \$47,725      | \$47,725      | \$47,725      | \$47,725       | \$47,725       | \$47,725       | \$47,725       | \$47,725       | \$47,725       | \$47,725       | \$47,725      | \$47,725        | \$572,694     |
| (22)     | Inventory Financing - LNG                | \$41,542      | \$41,387      | \$23,617      | \$13,283       | \$11,805       | \$13,336       | \$14,270       | \$17,352       | \$20,776       | \$27,190       | \$32,953      | \$32,953        | \$281,705     |
| (23)     | Inventory Financing - UG                 | \$113,748     | \$102,613     | \$73,713      | \$54,137       | \$48,072       | \$56,504       | \$67,668       | \$76,291       | \$84,861       | \$93,033       | \$101,117     | \$134,080       | \$1,005,836   |
| (24)     | Working Capital                          | \$64,785      | \$93,574      | \$166,320     | \$250,721      | \$124,638      | \$39,608       | \$21,957       | \$14,104       | \$12,018       | \$11,798       | \$11,232      | \$14,713        | \$825,469     |
| (25)     | Total Supply Variable Costs              | \$11,519,948  | \$16,537,553  | \$29,198,355  | \$43,911,899   | \$21,879,833   | \$7,036,357    | \$3,965,188    | \$2,605,126    | \$2,252,741    | \$2,225,871    | \$2,138,051   | \$2,784,822     | \$146,055,744 |
| (26)     | Supply Variable - Revenue                | \$9,816,180   | \$19,219,351  | \$28,794,339  | \$32,558,502   | \$30,175,864   | \$20,369,885   | \$8,797,501    | \$4,828,643    | \$3,763,661    | \$3,444,750    | \$3,278,555   | \$4,443,453     | \$166,390,684 |
| (27)     | Prelim. Ending Balance                   | \$34,967,893  | \$32,321,146  | \$35,760,899  | \$47,150,454   | \$38,894,192   | \$25,666,438   | \$20,867,344   | \$18,668,547   | \$17,177,949   | \$16,078,109   | \$14,955,268  | \$13,312,588    | \$12,929,186  |
| (28)     | Month's Average Balance                  | \$34,116,009  | \$33,662,044  | \$34,058,891  | \$41,473,755   | \$43,042,208   | \$32,333,202   | \$23,283,501   | \$19,780,305   | \$17,933,409   | \$16,637,549   | \$15,525,520  | \$14,141,903    | \$12,929,186  |
| (29)     | Interest Rate (BOA Prime minus 200 bps)  | 1.25%         | 1.25%         | 1.25%         | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%         | 1.25%           | 1.25%         |
| (30)     | Interest Applied                         | \$35,051      | \$33,737      | \$36,158      | \$39,769       | \$45,695       | \$33,219       | \$24,719       | \$20,322       | \$19,039       | \$17,663       | \$15,951      | \$15,014        | \$338,338     |
| (31)     | Gas Procurement Incentive/(penalty)      | \$0           | \$0           | \$0           | \$0            | \$60,078       | \$0            | \$0            | \$0            | \$0            | \$0            | \$0           | \$0             | \$60,078      |
| (32)     | Variable Ending Balance                  | \$35,002,943  | \$32,356,883  | \$35,797,057  | \$47,190,223   | \$38,999,966   | \$25,699,657   | \$20,892,063   | \$18,688,869   | \$17,196,988   | \$16,095,772   | \$14,971,219  | \$13,327,601    | \$13,327,601  |
| (33)     | <u>GCR Deferred Summary</u>              |               |               |               |                |                |                |                |                |                |                |               |                 |               |
| (34)     | Beginning Balance                        | \$25,751,611  | \$29,601,184  | \$27,176,681  | \$27,395,118   | \$36,076,956   | \$22,413,765   | \$8,503,458    | \$5,669,376    | \$5,302,116    | \$6,714,809    | \$8,299,630   | \$9,288,634     | \$25,751,611  |
| (35)     | Gas Costs                                | \$14,965,275  | \$20,259,458  | \$32,175,432  | \$47,306,517   | \$24,991,508   | \$10,490,332   | \$7,707,649    | \$6,327,534    | \$5,955,988    | \$5,955,988    | \$5,627,356   | \$6,413,862     | \$188,033,135 |
| (36)     | Inventory Finance                        | \$155,290     | \$144,000     | \$97,331      | \$67,419       | \$59,877       | \$69,840       | \$81,938       | \$93,643       | \$105,637      | \$105,637      | \$117,227     | \$167,032       | \$1,287,541   |
| (37)     | Working Capital                          | \$86,075      | \$116,095     | \$184,703     | \$271,821      | \$143,340      | \$9,848        | \$43,827       | \$35,881       | \$33,741       | \$33,741       | \$31,849      | \$36,378        | \$1,076,471   |
| (38)     | NGPMP Credits                            | (\$83,333)    | (\$83,333)    | (\$1,558,333) | (\$83,333)     | (\$2,748,980)  | (\$83,333)     | (\$83,333)     | (\$83,333)     | (\$83,333)     | (\$83,333)     | (\$83,333)    | (\$83,333)      | (\$6,900,000) |
| (39)     | Total Costs                              | \$15,123,306  | \$20,436,220  | \$30,899,132  | \$47,562,424   | \$22,445,745   | \$10,536,687   | \$7,750,080    | \$5,494,047    | \$6,012,034    | \$6,012,034    | \$5,693,098   | \$6,533,939     | \$183,497,147 |
| (40)     | Revenue                                  | \$11,302,194  | \$22,890,846  | \$30,709,647  | \$38,911,004   | \$36,200,014   | \$24,462,868   | \$10,591,681   | \$5,866,941    | \$4,605,715    | \$4,116,243    | \$4,030,463   | \$5,394,114     | \$199,081,730 |
| (41)     | Prelim. Ending Balance                   | \$29,572,723  | \$27,146,538  | \$27,366,166  | \$36,046,539   | \$22,322,687   | \$8,487,584    | \$3,661,857    | \$2,926,483    | \$6,708,434    | \$8,299,603    | \$9,279,603   | \$10,428,458    | \$10,167,028  |
| (42)     | Month's Average Balance                  | \$27,662,167  | \$28,373,871  | \$27,271,423  | \$31,720,829   | \$29,199,821   | \$15,450,674   | \$7,082,657    | \$5,482,929    | \$6,005,275    | \$7,503,237    | \$8,789,617   | \$9,858,546     | \$10,167,028  |
| (43)     | Interest Rate (BOA Prime minus 200 bps)  | 1.25%         | 1.25%         | 1.25%         | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%          | 1.25%         | 1.25%           | 1.25%         |
| (44)     | Interest Applied                         | \$28,461      | \$30,123      | \$28,953      | \$30,417       | \$31,000       | \$15,874       | \$7,519        | \$5,633        | \$6,375        | \$7,966        | \$9,030       | \$10,466        | \$211,818     |
| (45)     | Gas Purchase Plan Incentives/(Penalties) | \$0           | \$0           | \$0           | \$0            | \$60,078       | \$0            | \$0            | \$0            | \$0            | \$0            | \$0           | \$0             | \$60,078      |
| (46)     | Ending Bal. W/ Interest                  | \$29,601,184  | \$27,176,681  | \$27,395,118  | \$36,076,956   | \$22,413,765   | \$8,503,458    | \$5,669,376    | \$5,302,116    | \$6,714,809    | \$8,299,630    | \$9,288,634   | \$10,438,924    | \$10,438,924  |

REDACTED

**National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
GCR - Gas Cost Revenue**

| Line No.                           | Description                   | Reference                             | Nov-15<br>Fest<br>(c) | Dec-15<br>Fest<br>(d) | Jan-16<br>Fest<br>(e) | Feb-16<br>Fest<br>(f) | Mar-16<br>Fest<br>(g) | Apr-16<br>Fest<br>(h) | May-16<br>Fest<br>(i) | Jun-16<br>Fest<br>(j) | Jul-16<br>Fest<br>(k) | Aug-16<br>Fest<br>(l) | Sep-16<br>Fest<br>(m) | Oct-16<br>Fest<br>(n) | Total<br>Nov-Oct<br>(o) |
|------------------------------------|-------------------------------|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| <b>I. Fixed Cost Revenue--</b>     |                               |                                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                         |
| (1)                                | (a) Low Load dth              | AEL-1 pg 11, sum [Line (2)-(5), (7)]  | 1,896,039             | 3,310,220             | 4,342,169             | 4,338,370             | 3,905,629             | 2,869,508             | 1,700,670             | 1,007,693             | 606,903               | 503,149               | 561,628               | 785,129               | 25,827,107              |
| (2)                                | Fixed Cost Factor             | AEL-1 pg 1, (e)1                      | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421              | \$1,1421                |
| (3)                                | Low Load Revenue              | (2) * (3)                             | \$2,165,466           | \$3,780,602           | \$4,959,191           | \$4,954,852           | \$4,460,619           | \$3,277,265           | \$1,942,336           | \$1,150,886           | \$693,144             | \$574,647             | \$641,436             | \$896,695             | \$29,497,139            |
| (4)                                | (b) High Load dth             | AEL-1 pg 11, sum [Line (1), (6), (8)] | 91,507                | 126,701               | 141,824               | 146,199               | 142,837               | 121,275               | 81,665                | 68,449                | 59,695                | 60,049                | 70,588                | 71,955                | 1,182,745               |
| (5)                                | Fixed Cost Factor             | AEL-1 pg 1, (d)1                      | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796              | \$0,8796                |
| (6)                                | High Load Revenue             | (5) * (6)                             | \$80,490              | \$111,446             | \$124,748             | \$128,596             | \$125,640             | \$106,673             | \$71,833              | \$60,208              | \$52,508              | \$52,819              | \$62,089              | \$63,292              | \$1,040,342             |
| (7)                                | sub-total Dth                 | (2) + (5)                             | 1,987,546             | 3,436,921             | 4,483,993             | 4,484,568             | 4,048,466             | 2,990,783             | 1,782,336             | 1,076,142             | 666,599               | 563,198               | 632,216               | 857,084               | 27,009,852              |
| (8)                                | FT-2 Storage Revenue from r   | [AEL-5 pg 2, Line (26)] / 12          | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$144,542             | \$1,734,509             |
| (9)                                | <b>TOTAL Fixed Revenue</b>    | (4) + (7) + (9)                       | <b>\$2,390,498</b>    | <b>\$4,036,590</b>    | <b>\$5,228,481</b>    | <b>\$5,227,990</b>    | <b>\$4,730,801</b>    | <b>\$3,528,480</b>    | <b>\$2,158,711</b>    | <b>\$1,355,636</b>    | <b>\$890,194</b>      | <b>\$772,008</b>      | <b>\$848,067</b>      | <b>\$1,104,529</b>    | <b>\$32,271,990</b>     |
| <b>II. Variable Cost Revenue--</b> |                               |                                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                         |
| (10)                               | (a) Firm Sales dth            | (8)                                   | 1,987,546             | 3,436,921             | 4,483,993             | 4,484,568             | 4,048,466             | 2,990,783             | 1,782,336             | 1,076,142             | 666,599               | 563,198               | 632,216               | 857,084               | 27,009,852              |
| (11)                               | Variable Cost Factor          | AEL-1 pg 1, Line (2)                  | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130              | \$4,2130                |
| (12)                               | Variable Revenue              | (12) * (13)                           | \$8,373,533           | \$14,479,748          | \$18,891,062          | \$18,893,486          | \$17,056,187          | \$12,600,168          | \$7,508,980           | \$4,533,788           | \$2,808,380           | \$2,372,753           | \$2,663,527           | \$3,610,893           | \$113,792,505           |
| (13)                               | <b>TOTAL Variable Revenue</b> | (14)                                  | <b>\$8,373,533</b>    | <b>\$14,479,748</b>   | <b>\$18,891,062</b>   | <b>\$18,893,486</b>   | <b>\$17,056,187</b>   | <b>\$12,600,168</b>   | <b>\$7,508,980</b>    | <b>\$4,533,788</b>    | <b>\$2,808,380</b>    | <b>\$2,372,753</b>    | <b>\$2,663,527</b>    | <b>\$3,610,893</b>    | <b>\$113,792,505</b>    |
| (14)                               | <b>Total Gas Cost Revenue</b> | (10) + (15)                           | <b>\$10,764,031</b>   | <b>\$18,516,338</b>   | <b>\$24,119,543</b>   | <b>\$24,121,476</b>   | <b>\$21,786,988</b>   | <b>\$16,128,648</b>   | <b>\$9,667,691</b>    | <b>\$5,889,424</b>    | <b>\$3,698,574</b>    | <b>\$3,144,761</b>    | <b>\$3,511,594</b>    | <b>\$4,715,422</b>    | <b>\$146,064,495</b>    |

REDACTED

National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Working Capital Estimate

| Line No. | Description                                  | Source              | Nov-15      | Dec-15       | Jan-16       | Feb-16       | Mar-16       | Apr-16      | May-16      | Jun-16      | Jul-16      | Aug-16      | Sep-16      | Oct-16      | Total         |
|----------|--|---------------------|-------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| (a)      | (b)  | (c)                 | (d)         | (e)          | (f)          | (g)          | (h)          | (i)         | (j)         | (k)         | (l)         | (m)         | (n)         | (o)         |               |
| (1)      | <b>Fixed Costs</b>                           |                     |             |              |              |              |              |             |             |             |             |             |             |             |               |
| (2)      | Capacity Release Revenue                     | AEL-3, Line (4)     | \$3,416,918 | \$3,709,091  | \$3,707,764  | \$3,706,255  | \$3,707,764  | \$3,861,680 | \$3,862,353 | \$3,861,680 | \$3,862,353 | \$3,862,353 | \$3,861,680 | \$3,862,353 | \$45,282,243  |
| (3)      | Less: LNG Demand to DAC                      | Dkt 4514            | \$0         | \$0          | \$0          | \$0          | \$0          | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0           |
| (4)      | Less: Credits                                |                     | (\$124,066) | (\$124,066)  | (\$124,066)  | (\$124,066)  | (\$124,066)  | (\$124,066) | (\$124,066) | (\$124,066) | (\$124,066) | (\$124,066) | (\$124,066) | (\$124,066) | (\$1,488,790) |
| (5)      | Plus: Supply Related LNG O&M Costs           | Dkt 4323            | \$0         | \$0          | \$0          | \$0          | \$0          | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0           |
| (6)      | Allowable Working Capital Costs              | sum(1)-(5)          | \$3,292,852 | \$3,585,025  | \$3,583,698  | \$3,582,190  | \$3,583,698  | \$3,737,614 | \$3,738,287 | \$3,737,614 | \$3,738,287 | \$3,738,287 | \$3,737,614 | \$3,738,287 | \$43,793,453  |
| (7)      | Number of Days Lag                           | Dkt 4323            | 21.51       | 21.51        | 21.51        | 21.51        | 21.51        | 21.51       | 21.51       | 21.51       | 21.51       | 21.51       | 21.51       | 21.51       | 21.51         |
| (8)      | Working Capital Requirement                  | [(6) * (7)] / 365   | \$194,053   | \$211,271    | \$211,193    | \$211,104    | \$211,193    | \$220,263   | \$220,303   | \$220,263   | \$220,303   | \$220,263   | \$220,303   | \$220,263   | \$220,303     |
| (9)      | Cost of Capital                              | Dkt 4323            | 7.25%       | 7.25%        | 7.25%        | 7.25%        | 7.25%        | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%         |
| (10)     | Return on Working Capital Requirement        | (8) * (9)           | \$14,069    | \$15,317     | \$15,311     | \$15,305     | \$15,311     | \$15,969    | \$15,972    | \$15,969    | \$15,972    | \$15,969    | \$15,972    | \$15,969    | \$15,972      |
| (11)     | Weighted Cost of Debt                        | Dkt 4323            | 2.57%       | 2.57%        | 2.57%        | 2.57%        | 2.57%        | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%         |
| (12)     | Interest Expense                             | (8) * (11)          | \$4,987     | \$5,430      | \$5,428      | \$5,425      | \$5,428      | \$5,661     | \$5,662     | \$5,661     | \$5,662     | \$5,662     | \$5,661     | \$5,662     | \$5,662       |
| (13)     | Taxable Income                               | (10) - (12)         | \$9,082     | \$9,887      | \$9,884      | \$9,880      | \$9,884      | \$10,308    | \$10,310    | \$10,308    | \$10,310    | \$10,308    | \$10,308    | \$10,310    | \$10,310      |
| (14)     | 1 - Combined Tax Rate                        | Dkt 4323            | 0.6500      | 0.6500       | 0.6500       | 0.6500       | 0.6500       | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500        |
| (15)     | Return and Tax Requirement                   | (13) / (14)         | \$13,972    | \$15,212     | \$15,206     | \$15,199     | \$15,206     | \$15,859    | \$15,862    | \$15,859    | \$15,862    | \$15,862    | \$15,859    | \$15,862    | \$15,862      |
| (16)     | <b>Fixed Working Capital Requirement</b>     | (12) + (15)         | \$18,959    | \$20,641     | \$20,634     | \$20,625     | \$20,634     | \$21,520    | \$21,524    | \$21,520    | \$21,524    | \$21,524    | \$21,520    | \$21,524    | \$252,146     |
| (17)     | <b>Variable Costs</b>                        | AEL-3, Line (19)    | \$6,777,796 | \$15,883,979 | \$22,525,042 | \$21,244,530 | \$13,742,029 | \$6,004,724 | \$3,125,329 | \$2,048,234 | \$1,650,418 | \$1,485,632 | \$1,369,060 | \$2,530,861 | \$98,387,634  |
| (18)     | Less: Non-firm Sales                         |                     | \$0         | \$0          | \$0          | \$0          | \$0          | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0           |
| (19)     | Less: Supply Refunds                         | Dkt 4514            | \$0         | \$0          | \$0          | \$0          | \$0          | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0           |
| (20)     | Less: Balancing Related LNG Commodity to DAC | Dkt 4323            | \$0         | \$0          | \$0          | \$0          | \$0          | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0         | \$0           |
| (21)     | Plus: Supply Related LNG O&M Costs           | sum(17)-(21)        | \$6,777,796 | \$15,883,979 | \$22,525,042 | \$21,244,530 | \$13,742,029 | \$6,004,724 | \$3,125,329 | \$2,048,234 | \$1,650,418 | \$1,485,632 | \$1,369,060 | \$2,530,861 | \$98,387,634  |
| (22)     | Allowable Working Capital Costs              |                     |             |              |              |              |              |             |             |             |             |             |             |             |               |
| (23)     | Number of Days Lag                           | Dkt 4323            | 21.51       | 21.51        | 21.51        | 21.51        | 21.51        | 21.51       | 21.51       | 21.51       | 21.51       | 21.51       | 21.51       | 21.51       | 21.51         |
| (24)     | Working Capital Requirement                  | [(22) * (23)] / 365 | \$399,426   | \$936,067    | \$1,327,435  | \$1,251,972  | \$809,838    | \$353,867   | \$184,180   | \$120,706   | \$97,262    | \$87,551    | \$80,681    | \$149,147   | \$1,488,790   |
| (25)     | Cost of Capital                              | Dkt 4323            | 7.25%       | 7.25%        | 7.25%        | 7.25%        | 7.25%        | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%       | 7.25%         |
| (26)     | Return on Working Capital Requirement        | (24) * (25)         | \$28,958    | \$67,865     | \$96,239     | \$90,768     | \$58,713     | \$25,655    | \$13,353    | \$8,751     | \$7,051     | \$6,347     | \$5,849     | \$10,813    | \$108,790     |
| (27)     | Weighted Cost of Debt                        | Dkt 4323            | 2.57%       | 2.57%        | 2.57%        | 2.57%        | 2.57%        | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%       | 2.57%         |
| (28)     | Interest Expense                             | (24) * (27)         | \$10,265    | \$24,057     | \$34,115     | \$32,176     | \$20,813     | \$9,094     | \$4,733     | \$3,102     | \$2,500     | \$2,250     | \$2,073     | \$3,833     | \$40,813      |
| (29)     | Taxable Income                               | (26) - (28)         | \$18,693    | \$43,808     | \$62,124     | \$58,592     | \$37,900     | \$16,561    | \$8,620     | \$5,649     | \$4,552     | \$4,097     | \$3,776     | \$6,980     | \$69,977      |
| (30)     | 1 - Combined Tax Rate                        | Dkt 4323            | 0.6500      | 0.6500       | 0.6500       | 0.6500       | 0.6500       | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500      | 0.6500        |
| (31)     | Return and Tax Requirement                   | (29) / (30)         | \$28,759    | \$67,397     | \$95,575     | \$90,142     | \$58,308     | \$25,478    | \$13,261    | \$8,691     | \$7,003     | \$6,304     | \$5,809     | \$10,739    | \$110,787     |
| (32)     | <b>Variable Working Capital Requirement</b>  | (28) + (31)         | \$39,024    | \$91,454     | \$129,690    | \$122,318    | \$79,121     | \$34,573    | \$17,994    | \$11,793    | \$9,502     | \$8,554     | \$7,883     | \$14,572    | \$159,604     |



**National Grid - RI Gas  
Gas Recovery (GCR) Filing  
Inventory Finance Estimate**

| Line No. | Description (a)                       | Source (b)   | Nov-15 (c)  | Dec-15 (d)  | Jan-16 (e)  | Feb-16 (f)  | Mar-16 (g)  | Apr-16 (h)  | May-16 (i)  | Jun-16 (j)  | Jul-16 (k)  | Aug-16 (l)  | Sep-16 (m)  | Oct-16 (n)  | Total (o)   |
|----------|---------------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| (1)      | <b>Storage Inventory Balance</b>      | EDA-2, pg 15 | \$9,855,832 | \$8,025,739 | \$6,015,541 | \$4,121,265 | \$2,449,665 | \$3,424,901 | \$4,316,856 | \$5,227,041 | \$6,137,090 | \$7,049,000 | \$8,056,728 | \$8,938,049 |             |
| (2)      | Hedging                               |              |             |             |             |             |             |             |             |             |             |             |             |             |             |
| (3)      | Subtotal                              | (1) + (2)    | \$9,855,832 | \$8,025,739 | \$6,015,541 | \$4,121,265 | \$2,449,665 | \$3,424,901 | \$4,316,856 | \$5,227,041 | \$6,137,090 | \$7,049,000 | \$8,056,728 | \$8,938,049 |             |
| (4)      | Cost of Capital                       | Dkt 4323     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| (5)      | Return on Working Capital Requirement | (3) * (4)    | \$714,548   | \$581,866   | \$436,127   | \$298,792   | \$177,601   | \$248,305   | \$312,972   | \$378,961   | \$444,939   | \$511,052   | \$584,113   | \$648,009   | \$5,337,284 |
| (6)      | Weighted Cost of Debt                 | Dkt 4323     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| (7)      | Interest Charges Financed             | (3) * (6)    | \$253,295   | \$206,261   | \$154,599   | \$105,917   | \$62,956    | \$88,020    | \$110,943   | \$134,335   | \$157,723   | \$181,159   | \$207,058   | \$229,708   | \$1,891,975 |
| (8)      | Taxable Income                        | (5) - (7)    | \$461,253   | \$375,605   | \$281,527   | \$192,875   | \$114,644   | \$160,285   | \$202,029   | \$244,626   | \$287,216   | \$329,893   | \$377,055   | \$418,301   |             |
| (9)      | 1 - Combined Tax Rate                 | Dkt 4323     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| (10)     | Return and Tax Requirement            | (8) / (9)    | \$709,620   | \$577,853   | \$433,119   | \$296,731   | \$176,376   | \$246,593   | \$310,814   | \$376,347   | \$441,871   | \$507,528   | \$580,084   | \$643,540   | \$5,300,475 |
| (11)     | Working Capital Requirement           | (7) + (10)   | \$962,915   | \$784,115   | \$587,718   | \$402,648   | \$239,332   | \$334,613   | \$421,757   | \$510,682   | \$599,594   | \$688,687   | \$787,142   | \$873,247   | \$7,192,450 |
| (12)     | Storage-Related Inventory Costs       | (11) / 12    | \$80,243    | \$65,343    | \$48,977    | \$33,554    | \$19,944    | \$27,884    | \$35,146    | \$42,557    | \$49,966    | \$57,391    | \$65,595    | \$72,771    | \$599,371   |
| (13)     | <b>LNG Inventory Balance</b>          | EDA-2, pg 17 | \$4,417,619 | \$4,510,745 | \$2,227,047 | \$2,253,748 | \$2,008,023 | \$2,494,958 | \$3,009,815 | \$3,519,622 | \$4,054,092 | \$4,115,164 | \$4,636,339 | \$4,646,658 |             |
| (14)     | Cost of Capital                       | Dkt 4323     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| (15)     | Return on Working Capital Requirement | (13) * (14)  | \$320,277   | \$327,029   | \$161,461   | \$163,397   | \$145,582   | \$180,884   | \$218,212   | \$255,173   | \$293,922   | \$298,349   | \$336,135   | \$336,883   | \$3,037,303 |
| (16)     | Weighted Cost of Debt                 | Dkt 4323     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| (17)     | Interest Charges Financed             | (13) * (16)  | \$113,533   | \$115,926   | \$57,235    | \$57,921    | \$51,606    | \$64,120    | \$77,352    | \$90,454    | \$104,190   | \$105,760   | \$119,154   | \$119,419   | \$1,076,671 |
| (18)     | Taxable Income                        | (15) - (17)  | \$206,745   | \$211,103   | \$104,226   | \$105,475   | \$93,975    | \$116,764   | \$140,859   | \$164,718   | \$189,732   | \$192,590   | \$216,981   | \$217,464   |             |
| (19)     | 1 - Combined Tax Rate                 | Dkt 4323     |             |             |             |             |             |             |             |             |             |             |             |             |             |
| (20)     | Return and Tax Requirement            | (18) / (19)  | \$318,069   | \$324,774   | \$160,347   | \$162,270   | \$144,578   | \$179,637   | \$216,707   | \$253,413   | \$291,895   | \$296,292   | \$333,816   | \$334,559   | \$3,016,356 |
| (21)     | Working Capital Requirement           | (17) + (20)  | \$431,601   | \$440,700   | \$217,582   | \$220,191   | \$196,184   | \$243,757   | \$294,059   | \$343,867   | \$396,085   | \$402,051   | \$452,970   | \$453,979   | \$4,093,027 |
| (22)     | LNG-Related Inventory Costs           | (21) / 12    | \$35,967    | \$36,725    | \$18,132    | \$18,349    | \$16,349    | \$20,313    | \$24,505    | \$28,656    | \$33,007    | \$33,504    | \$37,748    | \$37,832    | \$341,086   |
| (23)     | Total Inventory Financing Costs       | (12) + (22)  | \$116,210   | \$102,068   | \$67,108    | \$51,903    | \$36,293    | \$48,198    | \$59,651    | \$71,212    | \$82,973    | \$90,895    | \$103,343   | \$110,602   | \$940,456   |

REDACTED

REDACTED

National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Forecasted Throughput (Dth)

| Line No.                | Rate Class                     | Nov-15 (b) | Dec-15 (c) | Jan-16 (d) | Feb-16 (e) | Mar-16 (f) | Apr-16 (g) | May-16 (h) | Jun-16 (i) | Jul-16 (j) | Aug-16 (k) | Sep-16 (l) | Oct-16 (m) | Nov-Oct (n) |
|-------------------------|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| <b>SALES</b>            |                                |            |            |            |            |            |            |            |            |            |            |            |            |             |
| (1)                     | Residential Non-Heating        | 48,049     | 71,423     | 92,942     | 107,427    | 113,117    | 87,291     | 46,799     | 31,200     | 24,471     | 22,307     | 24,221     | 28,799     | 698,046     |
| (2)                     | Residential Heating            | 1,462,287  | 2,349,767  | 3,119,896  | 3,107,497  | 2,828,266  | 2,124,881  | 1,241,085  | 751,389    | 425,245    | 352,061    | 402,675    | 561,110    | 18,726,158  |
| (3)                     | Small C&I                      | 150,098    | 412,467    | 502,968    | 445,599    | 395,993    | 275,911    | 177,969    | 95,230     | 57,312     | 44,037     | 46,985     | 68,102     | 2,672,471   |
| (4)                     | Medium C&I                     | 226,941    | 423,681    | 566,157    | 652,912    | 564,095    | 387,529    | 229,766    | 134,838    | 110,007    | 97,621     | 98,729     | 129,347    | 3,621,622   |
| (5)                     | Large LLF                      | 52,508     | 109,572    | 132,377    | 117,870    | 103,702    | 71,427     | 44,582     | 22,548     | 12,314     | 8,822      | 12,359     | 21,893     | 709,974     |
| (6)                     | Large HLF                      | 14,538     | 19,318     | 23,722     | 22,322     | 14,405     | 15,209     | 13,872     | 14,726     | 14,458     | 19,582     | 13,117     | 14,091     | 199,560     |
| (7)                     | Extra Large LLF                | 4,205      | 14,733     | 20,770     | 14,692     | 13,574     | 9,759      | 7,268      | 3,689      | 2,026      | 608        | 880        | 4,676      | 96,881      |
| (8)                     | Extra Large HLF                | 28,920     | 35,960     | 25,159     | 16,451     | 15,315     | 18,775     | 20,994     | 22,523     | 20,767     | 18,159     | 33,250     | 29,065     | 285,339     |
| (9)                     | <b>Total Sales</b>             | 1,987,546  | 3,436,921  | 4,483,993  | 4,484,568  | 4,048,466  | 2,990,783  | 1,782,336  | 1,076,142  | 666,599    | 563,198    | 632,216    | 857,084    | 27,009,852  |
| <b>TRANSPORTATION</b>   |                                |            |            |            |            |            |            |            |            |            |            |            |            |             |
| (10)                    | FT- Small                      | 5,363      | 8,696      | 11,591     | 10,934     | 10,410     | 8,175      | 5,238      | 3,493      | 2,396      | 1,784      | 1,955      | 3,346      | 73,379      |
| (11)                    | FT- Medium                     | 193,275    | 303,653    | 384,203    | 409,058    | 350,625    | 258,521    | 165,741    | 108,354    | 92,475     | 80,448     | 81,394     | 117,046    | 2,544,794   |
| (12)                    | FT- Large LLF                  | 193,833    | 339,407    | 399,879    | 355,152    | 309,381    | 206,353    | 132,733    | 67,827     | 44,989     | 38,807     | 50,460     | 111,317    | 2,250,138   |
| (13)                    | FT- Large HLF                  | 78,709     | 105,298    | 118,838    | 117,330    | 111,436    | 91,120     | 73,563     | 66,700     | 62,218     | 57,547     | 61,167     | 68,286     | 1,012,211   |
| (14)                    | FT- Extra Large LLF            | 116,250    | 179,379    | 208,355    | 171,056    | 151,292    | 100,183    | 69,941     | 37,280     | 26,627     | 19,847     | 24,917     | 84,065     | 1,189,192   |
| (15)                    | FT- Extra Large HLF            | 533,656    | 588,830    | 624,359    | 560,165    | 522,493    | 446,653    | 405,972    | 390,417    | 390,118    | 438,007    | 440,474    | 476,331    | 5,817,476   |
| (16)                    | <b>Total FT Transportation</b> | 1,121,086  | 1,525,264  | 1,747,225  | 1,623,694  | 1,455,637  | 1,111,005  | 853,188    | 674,071    | 618,824    | 636,439    | 600,367    | 860,391    | 12,887,190  |
| <b>Total THROUGHPUT</b> |                                |            |            |            |            |            |            |            |            |            |            |            |            |             |
| (17)                    | Residential Non-Heating        | 48,049     | 71,423     | 92,942     | 107,427    | 113,117    | 87,291     | 46,799     | 31,200     | 24,471     | 22,307     | 24,221     | 28,799     | 698,046     |
| (18)                    | Residential Heating            | 1,462,287  | 2,349,767  | 3,119,896  | 3,107,497  | 2,828,266  | 2,124,881  | 1,241,085  | 751,389    | 425,245    | 352,061    | 402,675    | 561,110    | 18,726,158  |
| (19)                    | Small C&I                      | 155,461    | 421,162    | 514,559    | 456,333    | 406,402    | 284,086    | 183,207    | 98,723     | 59,708     | 45,820     | 48,939     | 71,448     | 2,745,850   |
| (20)                    | Medium C&I                     | 420,216    | 727,334    | 950,359    | 1,061,970  | 914,719    | 646,050    | 395,507    | 243,192    | 202,482    | 178,069    | 180,123    | 246,393    | 6,166,416   |
| (21)                    | Large LLF                      | 246,341    | 448,979    | 532,256    | 473,022    | 413,083    | 277,780    | 177,316    | 90,375     | 57,303     | 47,629     | 62,819     | 133,210    | 2,960,112   |
| (22)                    | Large HLF                      | 93,247     | 124,616    | 142,561    | 139,651    | 125,841    | 106,329    | 87,434     | 81,426     | 76,676     | 77,128     | 74,285     | 82,377     | 1,211,571   |
| (23)                    | Extra Large LLF                | 120,455    | 194,113    | 229,125    | 185,747    | 164,866    | 109,943    | 77,210     | 40,969     | 28,653     | 20,455     | 25,797     | 88,741     | 1,286,074   |
| (24)                    | Extra Large HLF                | 562,576    | 624,790    | 649,519    | 576,616    | 537,808    | 465,429    | 426,966    | 412,940    | 410,885    | 456,167    | 473,724    | 505,396    | 6,102,814   |
| (25)                    | <b>Total Throughput</b>        | 3,108,633  | 4,962,185  | 6,231,217  | 6,108,562  | 5,504,103  | 4,101,788  | 2,633,524  | 1,750,213  | 1,285,422  | 1,199,637  | 1,292,583  | 1,717,475  | 39,897,042  |

**National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Design Winter Period and Design Day Throughput (Dth)**

| Line No.                                    | Rate Class (a)                       | Reference        | Line #    | Nov-15 (b) | Dec-15 (c) | Jan-16 (d) | Feb-16 (e) | Mar-16 (f) | Total (g)  | % (h)   |
|---|--------------------------------------|------------------|-----------|------------|------------|------------|------------|------------|------------|---------|
| <b><u>SALES (dth)</u></b>                   |                                      |                  |           |            |            |            |            |            |            |         |
| (1)   | Residential Non-Heating              | AEL-1 pg 15      | Line (70) | 53,941     | 77,188     | 98,971     | 115,968    | 126,115    | 472,183    | 2.32%   |
| (2)   | Residential Heating                  | AEL-1 pg 15      | Line (71) | 1,717,242  | 2,586,711  | 3,357,695  | 3,382,220  | 3,182,483  | 14,226,351 | 69.95%  |
| (3)   | Small C&I                            | AEL-1 pg 15      | Line (72) | 174,169    | 456,463    | 542,538    | 485,434    | 446,417    | 2,105,021  | 10.35%  |
| (4)   | Medium C&I                           | AEL-1 pg 15      | Line (74) | 257,001    | 462,575    | 606,594    | 708,784    | 631,256    | 2,666,211  | 13.11%  |
| (5)   | Large LLF                            | AEL-1 pg 15      | Line (76) | 62,348     | 121,502    | 142,955    | 128,647    | 117,169    | 572,620    | 2.82%   |
| (6)   | Large HLF                            | AEL-1 pg 15      | Line (78) | 14,538     | 19,734     | 24,407     | 23,071     | 14,405     | 96,154     | 0.47%   |
| (7)   | Extra Large LLF                      | AEL-1 pg 15      | Line (80) | 4,929      | 16,378     | 22,481     | 16,056     | 15,379     | 75,223     | 0.37%   |
| (8)   | Extra Large HLF                      | AEL-1 pg 15      | Line (82) | 30,194     | 37,373     | 25,233     | 16,451     | 15,315     | 124,565    | 0.61%   |
| (9)   | Total Sales                          |                  |           | 2,314,361  | 3,777,924  | 4,820,873  | 4,876,630  | 4,548,539  | 20,338,327 | 100.00% |
| (10)  | Low Load Factor                      | sum[(2:5),(7)]   |           | 2,215,688  | 3,643,629  | 4,672,263  | 4,721,141  | 4,392,704  | 19,645,425 | 96.59%  |
| (11)  | High Load Factor                     | sum[(1),(6),(8)] |           | 98,672     | 134,295    | 148,610    | 155,489    | 155,835    | 692,902    | 3.41%   |
| <b><u>2015/2016 Design Day Send Out</u></b> |                                      |                  |           |            |            |            |            |            |            |         |
| (12)  | Pipeline                             |                  |           |            | 165,065    | Dktherm    |            |            |            |         |
| (13)  | Underground Storage                  |                  |           |            | 42,478     | Dktherm    |            |            |            |         |
| (14)  | LNG                                  |                  |           |            | 133,548    | Dktherm    |            |            |            |         |
| (15)  | Total Projected 2015/2016 Design Day |                  |           |            | 341,091    | Dktherm    |            |            |            |         |

REDACTED



REDACTED

Derivation of Monthly Design Sales

Normal Volumes (Dth)

|                                 | Nov-15    | Dec-15    | Jan-16    | Feb-16    | Mar-16    | Apr-16    | May-16    | Jun-16    | Jul-16    | Aug-16    | Sep-16    | Oct-16    | Nov-Oct    |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| (a)                             | (b)       | (c)       | (d)       | (e)       | (f)       | (g)       | (h)       | (i)       | (j)       | (k)       | (l)       | (m)       | (n)        |
| (1) Residential Non-Heating     | 48,049    | 71,423    | 92,942    | 107,427   | 113,117   | 87,291    | 46,799    | 31,200    | 24,471    | 22,307    | 24,221    | 28,799    | 698,046    |
| (2) Residential Heating         | 1,462,287 | 2,349,767 | 3,119,896 | 3,107,497 | 2,828,266 | 2,124,881 | 1,241,085 | 751,389   | 423,245   | 352,061   | 402,675   | 561,110   | 18,726,158 |
| (3) Small C&I                   | 150,098   | 412,467   | 502,968   | 445,399   | 395,993   | 275,911   | 177,969   | 95,230    | 57,312    | 44,037    | 46,985    | 68,102    | 2,672,471  |
| (4) Small Transport             | 5,363     | 8,696     | 10,934    | 10,934    | 10,410    | 8,175     | 5,238     | 3,493     | 2,396     | 1,784     | 1,955     | 3,346     | 73,379     |
| (5) Medium C&I                  | 226,941   | 423,681   | 566,157   | 652,912   | 564,095   | 387,529   | 229,766   | 134,838   | 110,007   | 97,621    | 98,729    | 129,347   | 3,621,622  |
| (6) Med Transport               | 193,275   | 303,653   | 384,203   | 409,058   | 350,625   | 258,521   | 165,741   | 108,354   | 92,475    | 80,448    | 81,394    | 117,046   | 2,544,794  |
| (7) Large Low Load              | 59,508    | 109,572   | 132,377   | 117,870   | 103,702   | 71,427    | 44,582    | 22,548    | 12,314    | 8,822     | 12,359    | 21,893    | 709,974    |
| (8) Large High Load- Transport  | 193,833   | 339,407   | 399,879   | 355,152   | 309,381   | 206,353   | 132,733   | 67,827    | 44,989    | 38,807    | 50,460    | 111,317   | 2,250,138  |
| (9) Large High Load             | 14,538    | 19,318    | 23,722    | 22,322    | 14,405    | 15,209    | 13,872    | 14,726    | 14,458    | 19,582    | 13,117    | 14,091    | 199,360    |
| (10) Large High Load- Transport | 78,709    | 105,298   | 118,838   | 117,330   | 111,436   | 91,120    | 73,563    | 66,700    | 62,218    | 57,547    | 61,167    | 68,286    | 1,012,211  |
| (11) XL Low Load                | 4,205     | 14,733    | 20,770    | 14,692    | 13,574    | 9,759     | 7,268     | 3,689     | 2,026     | 608       | 880       | 4,676     | 96,881     |
| (12) XL Low Load-Transport      | 116,250   | 179,379   | 208,355   | 171,056   | 151,292   | 100,183   | 69,941    | 37,280    | 26,627    | 19,847    | 24,917    | 84,065    | 1,189,192  |
| (13) XL High Load               | 28,920    | 35,960    | 25,159    | 16,451    | 15,315    | 18,775    | 20,994    | 22,523    | 20,767    | 18,159    | 33,250    | 29,065    | 285,339    |
| (14) XL High Load-Transport     | 533,656   | 588,830   | 624,359   | 560,165   | 522,493   | 446,653   | 405,972   | 390,417   | 390,118   | 438,007   | 440,474   | 476,331   | 5,817,476  |
| (15) Total                      | 3,108,633 | 4,962,185 | 6,231,217 | 6,108,262 | 5,504,103 | 4,101,788 | 2,635,524 | 1,750,213 | 1,285,422 | 1,199,637 | 1,292,583 | 1,717,475 | 39,897,042 |

Baseload

|                                 | Nov-15    | Dec-15    | Jan-16    | Feb-16    | Mar-16    | Apr-16    | May-16    | Jun-16    | Jul-16    | Aug-16    | Sep-16    | Oct-16    | Nov-Oct    |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| (18)                            | (19)      | (20)      | (21)      | (22)      | (23)      | (24)      | (25)      | (26)      | (27)      | (28)      | (29)      | (30)      | (31)       |
| (18) Residential Non-Heating    | 23,152    | 23,923    | 23,923    | 22,380    | 23,923    | 23,152    | 23,923    | 23,152    | 23,923    | 22,307    | 23,152    | 23,923    | 280,835    |
| (19) Residential Heating        | 384,776   | 397,602   | 397,602   | 371,950   | 397,602   | 384,776   | 397,602   | 384,776   | 397,602   | 352,061   | 384,776   | 397,602   | 4,648,728  |
| (20) Small C&I                  | 48,370    | 49,982    | 49,982    | 46,757    | 49,982    | 48,370    | 49,982    | 48,370    | 49,982    | 44,037    | 46,985    | 49,982    | 582,779    |
| (21) Small Transport            | 2,000     | 2,067     | 2,067     | 1,934     | 2,067     | 2,000     | 2,067     | 2,000     | 2,067     | 1,784     | 1,955     | 2,067     | 24,075     |
| (22) Medium C&I                 | 99,899    | 103,229   | 103,229   | 96,569    | 103,229   | 99,899    | 103,229   | 99,899    | 103,229   | 97,621    | 98,729    | 103,229   | 1,211,991  |
| (23) Med Transport              | 82,930    | 85,694    | 85,694    | 80,165    | 85,694    | 82,930    | 85,694    | 82,930    | 85,694    | 80,448    | 81,394    | 85,694    | 1,004,960  |
| (24) Large Low Load             | 10,922    | 11,287    | 11,287    | 10,558    | 11,287    | 10,922    | 11,287    | 10,922    | 11,287    | 8,822     | 10,922    | 11,287    | 130,790    |
| (25) Large Low Load- Transport  | 43,779    | 45,238    | 45,238    | 42,320    | 45,238    | 43,779    | 45,238    | 43,779    | 44,989    | 38,807    | 43,779    | 45,238    | 527,422    |
| (26) Large High Load            | 14,538    | 15,890    | 15,890    | 14,865    | 14,405    | 15,209    | 13,872    | 14,726    | 14,458    | 15,890    | 13,117    | 14,091    | 176,950    |
| (27) Large High Load- Transport | 59,000    | 60,966    | 60,966    | 57,033    | 60,966    | 59,000    | 60,966    | 59,000    | 60,966    | 57,547    | 59,000    | 60,966    | 716,375    |
| (28) XL Low Load                | 1,146     | 1,184     | 1,184     | 1,108     | 1,184     | 1,146     | 1,184     | 1,146     | 1,184     | 608       | 880       | 1,184     | 13,139     |
| (29) XL Low Load-Transport      | 23,280    | 24,056    | 24,056    | 22,504    | 24,056    | 23,280    | 24,056    | 23,280    | 24,056    | 19,847    | 23,280    | 24,056    | 279,804    |
| (30) XL High Load               | 23,536    | 24,320    | 24,320    | 16,451    | 15,315    | 18,775    | 20,994    | 22,523    | 20,767    | 18,159    | 23,536    | 24,320    | 253,017    |
| (31) XL High Load-Transport     | 413,674   | 427,463   | 427,463   | 399,885   | 427,463   | 413,674   | 405,972   | 390,417   | 390,118   | 427,463   | 413,674   | 427,463   | 4,964,726  |
| (32) Total                      | 1,231,001 | 1,272,901 | 1,272,901 | 1,184,478 | 1,262,411 | 1,226,911 | 1,246,066 | 1,206,919 | 1,230,322 | 1,185,401 | 1,225,178 | 1,271,103 | 14,815,592 |

|          |         |         |         |         |         |         |         |         |         |         |         |         |           |
|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| (33) HLF | 533,899 | 552,563 | 552,563 | 510,613 | 542,072 | 529,809 | 525,727 | 509,817 | 510,233 | 541,366 | 532,478 | 550,764 | 6,391,904 |
| (34) LLF | 697,102 | 720,339 | 720,339 | 673,865 | 720,339 | 697,102 | 720,339 | 697,102 | 720,089 | 644,035 | 692,700 | 720,339 | 8,423,688 |

REDACTED

Derivation of Monthly Design Sales

Heat Volumes

|                                | Nov-15    | Dec-15    | Jan-16    | Feb-16    | Mar-16    | Apr-16    | May-16    | Jun-16  | Jul-16 | Aug-16 | Sep-16 | Oct-16  | Nov-Oct    |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|--------|--------|--------|---------|------------|
| (a)                            | (b)       | (c)       | (d)       | (e)       | (f)       | (g)       | (h)       | (i)     | (j)    | (k)    | (l)    | (m)     | (n)        |
| (35) Residential Non-Heating   | 24,898    | 47,500    | 69,019    | 85,046    | 89,194    | 64,139    | 22,876    | 8,048   | 547    | 0      | 1,069  | 4,876   | 417,211    |
| (36) Residential Heating       | 1,077,511 | 1,952,165 | 2,722,294 | 2,735,546 | 2,430,664 | 1,740,105 | 843,483   | 366,613 | 27,643 | 0      | 17,899 | 163,508 | 14,077,429 |
| (37) Small C&I                 | 101,729   | 362,485   | 452,987   | 398,642   | 346,011   | 227,542   | 127,987   | 46,860  | 7,330  | 0      | 0      | 18,120  | 2,089,693  |
| (38) Small Transport           | 3,363     | 6,629     | 9,524     | 9,000     | 8,342     | 6,174     | 3,171     | 1,493   | 329    | 0      | 0      | 1,279   | 49,304     |
| (39) Medium C&I                | 127,042   | 320,452   | 462,927   | 556,343   | 460,865   | 287,630   | 126,537   | 34,938  | 6,778  | 0      | 0      | 26,118  | 2,409,631  |
| (40) Med Transport             | 110,345   | 217,960   | 298,509   | 328,893   | 264,931   | 175,591   | 80,047    | 25,425  | 6,781  | 0      | 0      | 31,352  | 1,539,834  |
| (41) Large Low Load            | 41,585    | 98,286    | 121,091   | 107,312   | 92,415    | 60,505    | 33,296    | 11,625  | 1,027  | 0      | 1,437  | 10,607  | 579,185    |
| (42) Large Low Load-Transport  | 150,054   | 294,169   | 354,641   | 312,832   | 264,143   | 162,574   | 87,495    | 24,048  | 0      | 0      | 6,681  | 66,079  | 1,722,716  |
| (43) Large High Load           | 0         | 3,428     | 7,833     | 7,457     | 0         | 0         | 0         | 0       | 0      | 3,692  | 0      | 0       | 22,409     |
| (44) Large High Load-Transport | 19,709    | 44,332    | 57,872    | 60,297    | 50,470    | 32,121    | 12,596    | 7,700   | 1,252  | 0      | 2,168  | 7,320   | 295,836    |
| (45) XL Low Load               | 3,059     | 13,549    | 19,586    | 13,584    | 12,390    | 8,613     | 6,084     | 2,543   | 841    | 0      | 0      | 3,492   | 83,742     |
| (46) XL Low Load-Transport     | 92,970    | 155,324   | 184,299   | 148,552   | 127,236   | 76,904    | 45,886    | 14,000  | 2,572  | 0      | 1,637  | 60,009  | 909,389    |
| (47) XL High Load              | 5,384     | 11,640    | 839       | 0         | 0         | 0         | 0         | 0       | 0      | 0      | 9,714  | 4,744   | 32,321     |
| (48) XL High Load-Transport    | 119,983   | 161,367   | 196,896   | 160,280   | 95,031    | 32,980    | 0         | 0       | 0      | 10,544 | 26,800 | 48,868  | 852,750    |
| (49) Total                     | 1,877,632 | 3,689,283 | 4,958,316 | 4,923,784 | 4,241,692 | 2,874,877 | 1,389,458 | 543,294 | 55,100 | 14,236 | 67,405 | 446,372 | 25,081,450 |
| (50) HLF                       | 169,974   | 268,266   | 352,459   | 313,080   | 234,694   | 129,239   | 35,472    | 15,748  | 1,799  | 14,236 | 39,751 | 65,808  | 1,620,528  |
| (51) LLF                       | 1,707,658 | 3,421,017 | 4,625,857 | 4,610,704 | 4,006,998 | 2,745,638 | 1,353,986 | 527,546 | 53,301 | 0      | 27,653 | 380,564 | 23,460,922 |

| (52) Normal Calendar DD | 579 | 931 | 1099 | 936 | 796 | 453 | 227 | 44 | 1 | 1 | 52 | 339 | 5458 |
|-------------------------|-----|-----|------|-----|-----|-----|-----|----|---|---|----|-----|------|
|-------------------------|-----|-----|------|-----|-----|-----|-----|----|---|---|----|-----|------|

Heat Factors

|                                | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-Oct |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| (a)                            | (b)    | (c)    | (d)    | (e)    | (f)    | (g)    | (h)    | (i)    | (j)    | (k)    | (l)    | (m)    | (n)     |
| (53) Residential Non-Heating   | 43     | 51     | 63     | 91     | 112    | 142    | 101    | 183    | 547    | -      | 21     | 14     | 76      |
| (54) Residential Heating       | 1,861  | 2,097  | 2,477  | 2,923  | 3,054  | 3,841  | 3,716  | 8,332  | 27,643 | -      | 344    | 482    | 2,579   |
| (55) Small C&I                 | 176    | 389    | 412    | 426    | 435    | 502    | 564    | 1,065  | 7,330  | -      | -      | 53     | 383     |
| (56) Small Transport           | 6      | 7      | 9      | 10     | 10     | 14     | 14     | 34     | 329    | -      | -      | 4      | 9       |
| (57) Medium C&I                | 219    | 344    | 421    | 594    | 579    | 635    | 557    | 794    | 6,778  | -      | -      | 77     | 441     |
| (58) Med Transport             | 191    | 234    | 272    | 351    | 333    | 388    | 353    | 578    | 6,781  | -      | -      | 92     | 282     |
| (59) Large Low Load            | 72     | 106    | 110    | 115    | 116    | 134    | 147    | 264    | 1,027  | -      | 28     | 31     | 106     |
| (60) Large Low Load-Transport  | 259    | 316    | 323    | 334    | 332    | 359    | 385    | 547    | -      | -      | 128    | 195    | 316     |
| (61) Large High Load           | -      | 4      | 7      | 8      | -      | -      | -      | -      | -      | 3,692  | -      | -      | 4       |
| (62) Large High Load-Transport | 34     | 48     | 53     | 64     | 63     | 71     | 55     | 175    | 1,252  | -      | 42     | 22     | 54      |
| (63) XL Low Load               | 5      | 15     | 18     | 15     | 16     | 19     | 27     | 58     | 841    | -      | -      | 10     | 15      |
| (64) XL Low Load-Transport     | 161    | 167    | 168    | 159    | 160    | 170    | 202    | 318    | 2,572  | -      | 31     | 177    | 167     |
| (65) XL High Load              | 9      | 13     | 1      | -      | -      | -      | -      | -      | -      | -      | 187    | 14     | 6       |
| (66) XL High Load-Transport    | 207    | 173    | 179    | 171    | 119    | 73     | -      | -      | -      | 10,544 | 515    | 144    | 156     |
| (67) Total                     | 3,243  | 3,963  | 4,512  | 5,260  | 5,329  | 6,346  | 6,121  | 12,348 | 55,100 | 14,236 | 1,296  | 1,317  | 4,595   |

| (68) Normal Calendar DD | 579 | 931  | 1099 | 936  | 796 | 453 | 227 | 44 | 1 | 1  | 52 | 339 | 5458 |
|-------------------------|-----|------|------|------|-----|-----|-----|----|---|----|----|-----|------|
| (69) Design Calendar DD | 716 | 1044 | 1195 | 1030 | 912 | 546 | 217 | 35 | 5 | 10 | 88 | 370 | 6168 |

Derivation of Monthly Design Sales

Design Sales

|                                 | Nov-15<br>(b) | Dec-15<br>(c) | Jan-16<br>(d) | Feb-16<br>(e) | Mar-16<br>(f) | Apr-16<br>(g) | May-16<br>(h) | Jun-16<br>(i) | Jul-16<br>(j) | Aug-16<br>(k) | Sep-16<br>(l) | Oct-16<br>(m) | Nov-Oct    |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------|
| (70) Residential Non-Heating    | 53,941        | 77,188        | 98,971        | 115,968       | 126,115       | 100,458       | 45,792        | 29,554        | 23,923        | 22,307        | 24,961        | 29,245        | 748,423    |
| (71) Residential Heating        | 1,717,242     | 2,586,711     | 3,357,695     | 3,382,220     | 3,182,483     | 2,482,121     | 1,203,927     | 676,400       | 397,602       | 352,061       | 415,066       | 576,062       | 20,329,590 |
| (72) Small C&I                  | 174,169       | 456,463       | 542,538       | 485,434       | 446,417       | 322,625       | 172,330       | 85,645        | 49,982        | 44,037        | 46,985        | 69,759        | 2,896,384  |
| (73) Small Transport            | 6,159         | 9,500         | 12,423        | 11,837        | 11,625        | 9,442         | 5,098         | 3,188         | 2,067         | 1,784         | 1,955         | 3,463         | 78,541     |
| (74) Medium C&I                 | 257,001       | 462,575       | 606,594       | 708,784       | 631,256       | 446,579       | 224,192       | 127,691       | 103,229       | 97,621        | 98,729        | 131,736       | 3,895,988  |
| (75) Med Transport              | 219,384       | 330,108       | 410,278       | 442,088       | 389,233       | 294,570       | 162,215       | 103,154       | 85,694        | 80,448        | 81,394        | 119,913       | 2,718,479  |
| (76) Large Low Load             | 62,348        | 121,502       | 142,955       | 128,647       | 117,169       | 83,848        | 43,115        | 20,170        | 11,287        | 8,822         | 13,354        | 22,863        | 776,079    |
| (77) Large Low Load- Transport  | 229,338       | 375,112       | 430,858       | 386,569       | 347,874       | 239,729       | 128,879       | 62,908        | 44,989        | 38,807        | 55,085        | 117,360       | 2,457,507  |
| (78) Large High Load            | 14,538        | 19,734        | 24,407        | 23,071        | 14,405        | 15,209        | 13,872        | 14,726        | 14,458        | 15,890        | 13,117        | 14,091        | 197,517    |
| (79) Large High Load- Transport | 83,372        | 110,679       | 123,894       | 123,385       | 118,791       | 97,714        | 73,008        | 65,125        | 60,966        | 57,547        | 62,668        | 68,956        | 1,046,104  |
| (80) XL Low Load                | 4,929         | 16,378        | 22,481        | 16,056        | 15,379        | 11,528        | 7,000         | 3,169         | 1,184         | 608           | 880           | 4,996         | 104,588    |
| (81) XL Low Load-Transport      | 138,248       | 198,232       | 224,454       | 185,975       | 169,834       | 115,971       | 67,920        | 34,416        | 24,056        | 19,847        | 26,051        | 89,552        | 1,294,555  |
| (82) XL High Load               | 30,194        | 37,373        | 25,233        | 16,451        | 15,315        | 18,775        | 20,994        | 22,523        | 20,767        | 18,159        | 39,975        | 29,499        | 295,258    |
| (83) XL High Load-Transport     | 562,046       | 608,416       | 641,559       | 576,261       | 536,342       | 453,424       | 405,972       | 390,417       | 390,118       | 427,463       | 459,028       | 480,800       | 5,931,845  |
| (84) Total                      | 3,552,908     | 5,409,971     | 6,664,337     | 6,602,744     | 6,122,239     | 4,691,995     | 2,574,314     | 1,639,085     | 1,230,322     | 1,185,401     | 1,339,248     | 1,758,294     | 42,770,857 |
| (85) HLF                        | 744,091       | 853,390       | 914,063       | 855,135       | 810,968       | 685,581       | 559,637       | 522,344       | 510,233       | 541,366       | 599,749       | 622,590       | 8,219,146  |
| (86) LLF                        | 2,808,818     | 4,556,581     | 5,750,274     | 5,747,609     | 5,311,271     | 4,006,414     | 2,014,677     | 1,116,740     | 720,089       | 644,035       | 739,499       | 1,135,703     | 34,551,711 |

Source: Forecast per Ted Poe

**THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
RIPUC DOCKET NO. 4576  
REVISED 2015 GAS COST RECOVERY FILING  
WITNESS: ANN E. LEARY  
OCTOBER 23, 2015**

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Attachment AEL-3 Revised  
Projected Gas Cost Balances

National Grid - RI Gas  
Gas Cost Recovery (GCR) Filing  
Projected Gas Cost Deferred Balances

| Line No. | Description                              | Reference  | Nov-15<br>Forecast | Dec-15<br>Forecast | Jan-16<br>Forecast | Feb-16<br>Forecast | Mar-16<br>Forecast | Apr-16<br>Forecast | May-16<br>Forecast | Jun-16<br>Forecast | Jul-16<br>Forecast | Aug-16<br>Forecast | Sep-16<br>Forecast | Oct-16<br>Forecast | Nov-Oct         |
|----------|--|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|
| (1)      | # of Days in Month                       | (b)  | (c)                | (d)                | (e)                | (f)                | (g)                | (h)                | (i)                | (j)                | (k)                | (l)                | (m)                | (n)                | (o)             |
| (2)      | L Fixed Cost Deferred                    |  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                 |
| (3)      | Beginning Balance                        | Nov-14: AEL-1 pg 6, Col m, Line (17);<br>Dec 14 - Oct 15: Previous month Line (16) | \$2,888,677        | \$2,764,138        | \$5,933,984        | \$6,298,931        | \$8,666,647        | \$10,538,675       | \$11,054,476       | \$10,200,022       | \$8,541,515        | \$6,415,202        | \$4,168,383        | \$1,995,850        | (\$2,888,677)   |
| (4)      | Fixed Costs (net of cap rel)             | AEL-1 pg 4, Line (65)  | \$3,416,918        | \$3,709,091        | \$3,707,764        | \$3,706,255        | \$3,707,764        | \$3,861,680        | \$3,862,353        | \$3,861,680        | \$3,862,353        | \$3,862,353        | \$3,861,680        | \$3,862,353        | \$45,282,243    |
| (5)      | NGPMP Credits                            | EIDA-1   | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$9,400,000)   |
| (6)      | Working Capital                          | DK 4339  | \$18,959           | \$20,641           | \$20,634           | \$20,625           | \$20,634           | \$21,524           | \$21,524           | \$21,520           | \$21,524           | \$21,524           | \$21,520           | \$21,524           | \$25,146        |
| (7)      | LANG Demand to DAC                       | DK 4339  | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965           | \$17,965        |
| (8)      | Supply Related LANGO & M                 | DK 4323  | \$2,576,443        | \$2,870,298        | \$2,868,963        | \$2,867,446        | \$2,868,963        | \$3,023,766        | \$3,023,766        | \$3,023,766        | \$3,023,766        | \$3,023,766        | \$3,023,766        | \$3,023,766        | \$35,221,180    |
| (9)      | Total Supply Fixed Costs                 | sum(4)-(8)   | \$2,390,498        | \$4,036,590        | \$4,136,801        | \$4,135,656        | \$4,136,801        | \$4,287,551        | \$4,288,111        | \$4,287,551        | \$4,288,111        | \$4,288,111        | \$4,287,551        | \$4,288,111        | \$52,581,581    |
| (10)     | Prelim. Revenue                          | AEL-1 pg 7, Line (10)  | \$2,702,732        | \$3,930,430        | \$3,928,481        | \$3,927,990        | \$3,928,481        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$48,408,067    |
| (11)     | Prelim. Ending Balance                   | (3) + (9) + (10)   | \$2,702,732        | \$3,930,430        | \$3,928,481        | \$3,927,990        | \$3,928,481        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$4,083,800        | \$48,408,067    |
| (12)     | Month's Average Balance                  | [(3) + (11)] / 2   | \$2,795,705        | \$3,347,284        | \$3,413,743        | \$3,427,990        | \$3,428,481        | \$3,503,800        | \$3,504,300        | \$3,503,800        | \$3,504,300        | \$3,504,300        | \$3,503,800        | \$3,504,300        | \$42,711,990    |
| (13)     | Interest Rate (BOA Prime minus 200 bps)  | (12) * 1.25%   | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              |                 |
| (14)     | Interest Applied                         | [(12) * (13)] / 365 * (1)  | (\$3,554)          | (\$3,554)          | (\$5,429)          | (\$7,172)          | (\$10,189)         | (\$11,087)         | (\$11,276)         | (\$9,623)          | (\$7,935)          | (\$5,615)          | (\$3,165)          | (\$1,100)          | (\$79,016)      |
| (15)     | Markler Reconciliation                   | AEL-7, Line (50)   | (\$58,833)         | (\$58,833)         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    | (\$58,833)      |
| (16)     | Fixed Ending Balance                     | (11) + (14) + (15)   | \$2,764,138        | \$3,933,984        | \$5,298,931        | \$8,666,647        | \$10,538,675       | \$11,054,476       | \$10,200,022       | \$8,541,515        | \$6,415,202        | \$4,168,383        | \$1,995,850        | (\$77,036)         | (\$77,036)      |
| (17)     | L Variable Cost Deferred                 |  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                 |
| (18)     | Beginning Balance                        | Nov-14: AEL-1 pg 6, Col m, Line (34);<br>Dec 14 - Oct 15: Previous month line (32) | \$13,327,601       | \$11,947,799       | \$13,606,834       | \$17,501,842       | \$20,092,847       | \$16,961,487       | \$10,510,643       | \$10,510,643       | \$6,261,261        | \$2,897,511        | \$2,160,246        | \$1,026,364        | \$13,327,601    |
| (19)     | Variable Costs                           | DK 4339  | \$6,777,796        | \$15,883,979       | \$22,525,042       | \$21,244,530       | \$13,742,029       | \$6,004,724        | \$3,125,329        | \$2,048,234        | \$1,650,418        | \$1,485,632        | \$1,369,060        | \$2,530,861        | \$98,387,634    |
| (20)     | Supply Related LANG to DAC               | DK 4323  | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$47,725           | \$572,694       |
| (21)     | Supply Related LANGO & M                 | AEL-1 pg 10, Line (22)   | \$35,967           | \$36,725           | \$18,132           | \$18,349           | \$16,349           | \$20,313           | \$24,505           | \$28,656           | \$33,007           | \$33,504           | \$37,748           | \$37,832           | \$341,086       |
| (22)     | Inventory Financing - LNG                | AEL-1 pg 10, Line (12)   | \$80,243           | \$65,343           | \$48,977           | \$33,554           | \$19,944           | \$27,884           | \$35,146           | \$42,557           | \$49,966           | \$57,391           | \$65,595           | \$72,771           | \$99,371        |
| (23)     | Inventory Financing - LG                 | AEL-1 pg 8, Line (32)  | \$32,024           | \$21,454           | \$12,690           | \$9,121            | \$7,121            | \$3,573            | \$1,924            | \$1,294            | \$1,293            | \$8,354            | \$2,883            | \$14,522           | \$56,477        |
| (24)     | Working Capital                          | sum(19)-(24)]  | \$6,980,754        | \$16,125,225       | \$22,769,565       | \$21,466,475       | \$13,905,219       | \$6,135,219        | \$3,250,700        | \$2,178,964        | \$1,790,618        | \$1,632,805        | \$1,528,009        | \$2,703,759        | \$100,467,261   |
| (25)     | Total Variable Costs                     | AEL-1 pg 7, Line (15)  | (\$8,373,533)      | (\$14,479,748)     | (\$18,891,062)     | (\$18,893,486)     | (\$17,056,187)     | (\$12,600,168)     | (\$7,508,380)      | (\$4,533,788)      | (\$2,808,380)      | (\$2,372,753)      | (\$2,663,527)      | (\$3,610,893)      | (\$113,792,505) |
| (26)     | Variable - Revenue                       | (18) + (25) + (26)   | \$11,934,822       | \$13,593,277       | \$17,485,337       | \$16,941,831       | \$16,941,838       | \$10,496,538       | \$6,252,363        | \$3,906,437        | \$2,893,898        | \$2,157,562        | \$1,024,728        | \$119,231          | \$119,231       |
| (27)     | Prelim. Ending Balance                   | (18) + (27)] / 2   | \$12,631,212       | \$12,770,538       | \$15,546,086       | \$18,788,336       | \$18,517,338       | \$13,729,013       | \$8,381,303        | \$5,083,849        | \$3,402,779        | \$2,527,536        | \$1,592,487        | \$572,797          | \$119,231       |
| (28)     | Month's Average Balance                  | (18) + (27)] / 2   | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              |                 |
| (29)     | Interest Rate (BOA Prime minus 200 bps)  | (28) * (29)] / 365 * (1)   | \$12,977           | \$13,558           | \$16,504           | \$18,016           | \$19,659           | \$14,105           | \$8,898            | \$5,223            | \$3,613            | \$2,683            | \$1,636            | \$608              | \$117,481       |
| (30)     | Interest Applied                         | (27) + (30) + (31)   | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |                 |
| (31)     | Gas Procurement Incentives (penalty)     | (27) + (30) + (31)   | \$11,947,799       | \$13,606,834       | \$17,501,842       | \$20,092,847       | \$16,961,487       | \$10,510,643       | \$10,510,643       | \$6,261,261        | \$2,897,511        | \$2,160,246        | \$1,026,364        | \$119,839          | \$119,839       |
| (32)     | Variable Ending Balance                  |  | \$11,947,799       | \$13,606,834       | \$17,501,842       | \$20,092,847       | \$16,961,487       | \$10,510,643       | \$10,510,643       | \$6,261,261        | \$2,897,511        | \$2,160,246        | \$1,026,364        | \$119,839          | \$119,839       |
| (33)     | ECR Deferred Summary                     |  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                 |
| (34)     | Beginning Balance                        | (3) + (18)   | \$10,438,924       | \$9,183,661        | \$9,672,850        | \$11,202,910       | \$11,426,200       | \$6,422,812        | \$5,433,333        | \$3,938,761        | (\$4,629,855)      | (\$3,517,691)      | (\$2,008,137)      | (\$969,486)        | \$10,438,924    |
| (35)     | Gas Costs                                | sum(4)-(7)+(9)-(15)+(19)-(21)]   | \$10,107,804       | \$19,564,694       | \$26,204,429       | \$24,922,409       | \$17,421,417       | \$9,838,028        | \$6,959,306        | \$5,881,538        | \$5,484,395        | \$5,319,608        | \$5,202,363        | \$6,364,838        | \$143,270,829   |
| (36)     | Inventory Finance                        | (22) + (23)  | \$116,210          | \$102,068          | \$67,108           | \$51,903           | \$36,293           | \$48,198           | \$59,651           | \$71,212           | \$82,976           | \$90,895           | \$103,343          | \$110,602          | \$940,456       |
| (37)     | Working Capital                          | (6) + (24)   | \$57,983           | \$112,095          | \$150,324          | \$142,943          | \$99,755           | \$56,093           | \$39,518           | \$33,313           | \$31,026           | \$30,077           | \$29,402           | \$36,095           | \$818,623       |
| (38)     | NGPMP Credits                            | (5)  | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$783,333)        | (\$9,400,000)   |
| (39)     | Total Costs                              | sum(35)-(38)]  | \$9,498,463        | \$18,995,523       | \$25,638,528       | \$24,333,922       | \$16,774,131       | \$9,158,984        | \$6,275,142        | \$5,202,730        | \$4,815,060        | \$4,657,247        | \$4,551,775        | \$5,728,202        | \$135,629,908   |
| (40)     | Revenue                                  | (10) + (26)  | (\$10,764,031)     | (\$18,516,338)     | (\$24,119,543)     | (\$24,121,476)     | (\$21,786,988)     | (\$16,128,618)     | (\$9,667,691)      | (\$5,889,024)      | (\$3,698,574)      | (\$3,144,761)      | (\$3,511,594)      | (\$4,715,122)      | (\$146,064,495) |
| (41)     | Prelim. Ending Balance                   | (34) + (39) + (40)   | \$9,175,556        | \$9,662,846        | \$11,191,835       | \$11,415,556       | \$6,413,343        | (\$546,852)        | (\$3,936,382)      | (\$4,625,455)      | (\$5,513,369)      | (\$2,005,209)      | (\$967,957)        | \$43,324           | \$4,338         |
| (42)     | Month's Average Balance                  | [(34) + (41)] / 2  | \$9,806,240        | \$9,423,254        | \$10,432,343       | \$11,309,133       | \$8,919,771        | \$2,937,980        | (\$2,400,108)      | (\$4,282,108)      | (\$4,071,612)      | (\$2,761,449)      | (\$1,488,047)      | (\$463,096)        | \$4,338         |
| (43)     | Interest Rate (BOA Prime minus 200 bps)  | (41) + (42)  | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              | 1.25%              |                 |
| (44)     | Interest Applied                         | (41) + (43)  | \$10,105           | \$10,004           | \$11,075           | \$10,844           | \$9,470            | \$5,018            | (\$2,378)          | (\$4,399)          | (\$4,323)          | (\$2,932)          | (\$1,529)          | (\$492)            | \$38,465        |
| (45)     | Gas Purchase Plan Incentives (Penalties) | (31)   | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |                 |
| (46)     | Ending Bal. W/ Interest                  | (41) + (44) + (45)   | \$9,183,661        | \$9,672,850        | \$11,202,910       | \$11,426,200       | \$6,422,812        | (\$543,833)        | (\$3,938,761)      | (\$4,629,855)      | (\$3,517,691)      | (\$2,008,137)      | (\$969,486)        | \$42,802           | \$42,802        |

**THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
RIPUC DOCKET NO. 4576  
REVISED 2015 GAS COST RECOVERY FILING  
WITNESS: ANN E. LEARY  
OCTOBER 23, 2015**

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Attachment AEL-4 Revised  
Bill Impact Analysis











